

WILLIAM DUNNET & COMPANY LIMITED
(Company Registration 32246)

ABBREVIATED ACCOUNTS

30 APRIL 2000

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COMPANIES HOUSE 31/01/01

WILLIAM DUNNET & COMPANY LIMITED

Directors' Report and Abbreviated Accounts Year ended 30 April 2000

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Directors

A L Sutherland
D M Sutherland
M L Sutherland
B G Sutherland

Secretary

B G Sutherland

Auditors

Scott-Moncrieff
Chartered Accountants
Registered Auditor

Bankers

Clydesdale Bank PLC
Bank of Scotland

Solicitors

Kidstons & Co

Registered Office

Manson's Lane
Thurso
Caithness
KW14 8EP

Directors' Report
Year ended 30 April 2000

The directors submit their report and the abbreviated accounts.

Principal activities

The principal activities during the year were vehicle distribution and general garage operation.

Results and dividends

The profit for the financial year was £96,940 (1999 £105,328). No dividend is proposed for the year (1999 £Nil).

Review of business and future developments

This year has seen an increase in turnover but gross margins have become tighter, particularly in relation to the forecourt, which has led to a slight drop in profit. The directors believe that the results in the coming year will not be significantly different from this year.

Since the year-end, the company has been awarded Customer Marketing Area status by Ford and is the only independent retailer in Scotland to be in such a position. This is a very positive step and secures the foreseeable future for the company with Ford.

The directors are also in the process of negotiating a new fuel supply agreement, which is due to commence in November 2000.

Directors

The directors, who acted throughout the year, and their share interests in the company and the holding company, A & D Sutherland Ltd were -

	30 April 2000		1 May 1999	
	William Dunnet & Co Ltd	A & D Sutherland Ltd	William Dunnet & Co Ltd	A & D Sutherland Ltd
A L Sutherland	Nil	Nil	Nil	6,333
D M Sutherland	Nil	Nil	Nil	Nil
Mrs M L Sutherland	1,000	8,833	1,000	2,500
Mrs B G Sutherland	1,000	1,000	1,000	1,000

All the directors retire in accordance with the Articles of Association and, being eligible, offer themselves for re-election.

Directors' Report (continued)
Year ended 30 April 2000

Directors' responsibilities

The directors are required by law to prepare, for each financial year, financial statements which comply with the Companies Act 1985 and give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss for that year. They are responsible for maintaining adequate accounting records which disclose the financial position of the company with reasonable accuracy at any time, which enable them to safeguard the assets of the company and which enable them to take reasonable steps to prevent and to detect fraud and other irregularities.

The directors confirm that the financial statements on pages 4 to 11 have been prepared on a going concern basis, that suitable accounting policies have been consistently applied, that reasonable and prudent judgements and estimates have been used and that applicable accounting standards have been followed.

Auditors

A resolution will be proposed at the annual general meeting to reappoint Scott-Moncrieff, Chartered Accountants, as auditors of the company until the next general meeting at which financial statements are presented.

On behalf of the Board

X *B. L. Sutherland* X

Secretary

17 January 2001

Manson's Lane
Thurso

**AUDITORS' REPORT TO WILLIAM DUNNET & COMPANY LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

3

We have examined the abbreviated accounts set out on pages 4 to 11 together with the financial statements of the company for the year ended 30 April 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts to be delivered are properly prepared in accordance with that provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 11 are properly prepared in accordance with that provisions.



SCOTT-MONCRIEFF
Chartered Accountants
Registered Auditor

17 January 2001

135 Buchanan Street
Glasgow G1 2JA

Profit and Loss Account
Year ended 30 April 2000

	Note	2000 £	1999 £
Gross profit		99,492	94,644
Profit on sale of tangible fixed assets		6,009	8,347
Interest receivable		17,298	34,217
Interest payable	3	<u>(117)</u>	<u>(169)</u>
Profit on ordinary activities before tax	4	122,682	137,039
Tax charge on profit on ordinary activities	5	<u>(25,742)</u>	<u>(31,711)</u>
Profit on ordinary activities after tax and for the financial year	13	<u>96,940</u>	<u>105,328</u>

References are to the notes on pages 7 to 11

Continuing Operations

None of the company's activities were acquired or discontinued during the current and previous years.

Total Recognised Gains and Losses

The company has no recognised gains or losses other than the profit for the current and previous years.

Balance Sheet at 30 April 2000

	Note	2000		1999	
		£	£	£	£
Tangible fixed assets	6		304,080		315,361
Current assets					
Stocks	8	145,113		197,997	
Investments	7	425,000		425,000	
Debtors	9	218,125		270,630	
Bank balances and cash		<u>509,256</u>		<u>325,105</u>	
		1,297,494		1,218,732	
Creditors					
Amounts falling due within one year	10	<u>(237,291)</u>		<u>(266,521)</u>	
Net current assets			<u>1,060,203</u>		<u>952,211</u>
Total assets less current liabilities			1,364,283		1,267,572
Provision for other liabilities and charges					
Deferred tax	11		<u>(7,252)</u>		<u>(7,481)</u>
Net assets			<u>1,357,031</u>		<u>1,260,091</u>
Capital and reserves					
Called up equity share capital	12		40,000		40,000
Share premium account			15,241		15,241
Profit and loss account	13		<u>1,301,790</u>		<u>1,204,850</u>
Equity shareholders' funds	16		<u>1,357,031</u>		<u>1,260,091</u>

References are to the notes on pages 7 to 11

Advantage has been taken of the exemptions conferred by Section 246A of the Companies Act 1985 on the grounds that, in the opinion of the directors, the company is entitled to the benefit of those exemptions as a medium-sized company.

These financial statements were approved by the Board on 17 January 2001.



Am Duthart



- Director

Cash Flow Statement
Year ended 30 April 2000

	2000		1999	
	£	£	£	£
Operating activities				
Operating profit		99,492		132,644
Depreciation		23,234		20,375
Decrease in stocks		52,884		70,632
Decrease/(increase) in debtors		52,505		(9,449)
Decrease in creditors		<u>(26,425)</u>		<u>(46,952)</u>
Net cash inflow from operating activities		201,690		167,250
Returns on investment and servicing of finance				
Interest received	17,298		34,217	
Interest paid	<u>(117)</u>		<u>(169)</u>	
		17,181		34,048
Taxation				
Corporation Tax paid		(28,776)		(31,469)
Capital expenditure				
Purchase of tangible fixed assets	(57,351)		(89,093)	
Sale of tangible fixed assets	<u>51,407</u>		<u>58,294</u>	
		<u>(5,944)</u>		<u>(30,799)</u>
Net cash inflow before use of liquid resources		184,151		139,030
Management of liquid resources				
Purchase of investment bonds		—		<u>(425,000)</u>
Decrease in cash		<u>184,151</u>		<u>(285,970)</u>
Analysis of change in cash during year				
At 1 May 1999		325,105		611,075
Net cash inflow/(outflow)		<u>184,151</u>		<u>(285,970)</u>
At 30 April 2000		<u>509,256</u>		<u>325,105</u>

Notes on Abbreviated Accounts
30 April 2000

1 Accounting policies

a Basis of accounting

The abbreviated accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

b Depreciation

Depreciation is provided on the reducing balance method on heritable buildings, vehicles and plant and on the straight line basis on equipment at the following annual rates -

Heritable buildings	- 2.5% and 10%
Plant	- 20%
Vehicles	- 25%
Office equipment	- 20%
Rental equipment	- 20%.

c Stocks

These are valued at the lower of cost and net realisable value.

Cost represents -

Raw materials, consumables
and finished goods

- purchase cost on a first in, first out basis.

Work in progress

- represents materials and direct labour.

Net realisable value is based on estimated selling price less further costs expected to be incurred to disposal.

d Deferred tax

Deferred tax is provided for liabilities that will probably crystallise in the future, using the liability method, that is utilising current rates.

e Turnover

Turnover represents the total amount receivable in the ordinary course of business for goods sold, rebates received and services rendered exclusive of VAT.

f Pensions

The company operates a defined contribution benefit scheme. Contributions are charged to revenue on an accruals basis.

g Current asset investments

Current asset investments are valued at the lower of cost and net realisable value.

Notes on Abbreviated Accounts (continued)
30 April 2000

1 Accounting policies (continued)**h Hire purchase receivables**

Assets which are the subject of hire purchase contracts are held as debtors at the net amount outstanding on the agreement. Income from hire purchase agreements is credited to other operating income over the period of the agreement.

2 Employment costs	2000	1999
	£	£
Wages and salaries	292,564	278,276
Social security costs	22,288	22,236
Other pension costs	<u>6,046</u>	<u>5,267</u>
	<u>320,898</u>	<u>305,779</u>
The average number of employees during the year was -		
Sales and servicing	18	18
Administration	<u>12</u>	<u>12</u>
	<u>30</u>	<u>30</u>
3 Interest payable	£	£
On bank overdraft	<u>117</u>	<u>169</u>
4 Profit on ordinary activities before tax is stated after charging -		
Auditors' remuneration	<u>9,150</u>	<u>10,599</u>
5 Tax charge on profit on ordinary activities		
Current year -		
Corporation Tax	25,971	28,730
Deferred tax	<u>(229)</u>	<u>2,959</u>
	25,742	31,689
Prior year -		
Corporation Tax	<u>-</u>	<u>22</u>
	<u>25,742</u>	<u>31,711</u>

Notes on Abbreviated Accounts (continued)
30 April 2000

6 Tangible fixed assets

	Heritable land and buildings	Plant	Vehicles	Office equipment	Total
	£	£	£	£	£
Cost -					
At 1 May 1999	327,734	144,569	68,841	15,445	556,589
Additions in year	-	232	54,003	3,116	57,351
Disposals in year	-	-	(76,807)	(383)	(77,190)
At 30 April 2000	<u>327,734</u>	<u>144,801</u>	<u>46,037</u>	<u>18,178</u>	<u>536,750</u>
Depreciation -					
At 1 May 1999	76,674	122,568	28,952	13,034	241,228
Charge for year	5,857	4,447	11,717	1,213	23,234
On disposals in year	-	-	(31,715)	(77)	(31,792)
At 30 April 2000	<u>82,531</u>	<u>127,015</u>	<u>8,954</u>	<u>14,170</u>	<u>232,670</u>
Net book value -					
At 30 April 2000	<u>245,203</u>	<u>17,786</u>	<u>37,083</u>	<u>4,008</u>	<u>304,080</u>
At 30 April 1999	<u>251,060</u>	<u>22,001</u>	<u>39,889</u>	<u>2,411</u>	<u>315,361</u>

7 Current asset investment

£

Cost -

As at 30 April 1999 and 30 April 2000

425,000

The market value of the investment as at 30 April 2000 was £461,339.

8 Stocks

2000

1999

£

£

Raw materials and consumables

45,412

49,518

Work in progress

1,093

985

Finished goods

98,608147,494145,113197,997**9 Debtors**

Trade debtors

132,181

172,221

Prepayments and deferred income

78,215

98,409

Hire purchase receivables

7,729-218,125270,630

Included in hire purchase receivables is £5,029 (1999 - £Nil) which falls due after more than one year.

Notes on Abbreviated Accounts (continued)
30 April 2000

10	Creditors: Amounts falling due within one year	2000	1999
		£	£
	Trade creditors	137,512	84,607
	Accruals	28,214	26,473
	Corporation Tax	25,971	28,776
	Other taxes and social security costs	10,272	22,198
	Amounts owed to parent undertaking	<u>35,322</u>	<u>104,467</u>
		<u>237,291</u>	<u>266,521</u>
11	Deferred tax		
	The provision for deferred tax is to cover future Corporation Tax at 20% (1999 20%) and is made up as follows -		
		2000	1999
		£	£
	Accelerated capital allowances	<u>7,252</u>	<u>7,481</u>
12	Equity share capital		
	Authorised, issued, called up and fully paid - 40,000 shares of £1 each	<u>40,000</u>	<u>40,000</u>
13	Reserves		
	Profit and loss account -		
	At 1 May 1999	1,204,850	1,099,522
	Profit for year (page 4)	<u>96,940</u>	<u>105,328</u>
	At 30 April 2000	<u>1,301,790</u>	<u>1,204,850</u>
14	Parent undertaking		
	The ultimate parent undertaking is A & D Sutherland Limited.		
15	Company pension schemes		
	During the year the contributions paid by the company amounted to £6,046 (1999 £5,267).		
16	Movement in equity shareholders' funds	2000	1999
		£	£
	Shareholders' funds at 1 May 1999	1,260,091	1,154,763
	Profit for year (page 4)	<u>96,940</u>	<u>105,328</u>
	Shareholders' funds at 30 April 2000	<u>1,357,031</u>	<u>1,260,091</u>

Notes on Abbreviated Accounts (continued)
30 April 2000

17	Hire purchase contracts	2000 £	1999 £
	Cost of assets acquired for letting under hire purchase contracts	<u>10,000</u>	<u>-</u>
	Aggregate rentals receivable on hire purchase contracts during the year	<u>3,509</u>	<u>-</u>